

ECONOMIC DEVELOPMENT COMMITTEE

DATE: January 27, 2010

CALLED TO ORDER: 5:34 p.m.

ADJOURNED: 6:15 p.m.

ATTENDANCE

ATTENDING MEMBERS

Jeff Cardwell, Chair
Michael McQuillen
Doris Minton-McNeill
Mary Moriarty Adams
Ryan Vaughn

ABSENT MEMBERS

Jose Evans
Barbara Malone

AGENDA

PROPOSAL NO. 2, 2010 - appoints Santina C. Sullivan to the Indianapolis City Market Corporation Board of Directors

"Do Pass"

Vote: 5-0

PROPOSAL NO. 19, 2010 - approves the Mayor's appointment of Nicholas Weber as Deputy Mayor for Economic and Workforce Development

"Do Pass"

Vote: 5-0

ECONOMIC DEVELOPMENT COMMITTEE

The Economic Development Committee of the City-County Council met on Wednesday, January 27, 2010. Chair Jeff Cardwell called the meeting to order at 5:34 p.m. with the following members present: Michael McQuillen, Doris Minton-McNeill, Mary Moriarty Adams and Ryan Vaughn. Absent were Jose Evans and Barbara Malone.

PROPOSAL NO. 2, 2010 - appoints Santina C. Sullivan to the Indianapolis City Market Corporation Board of Directors

Ms. Sullivan stated that she has had her own consulting business for 12 years. She stated that she does marketing, planning and research for different companies, both small and large. Ms. Sullivan stated that she specializes in non-profit, business-to-business and has done some retail. She said prior to that, she worked at what is now Indianapolis Downtown Inc. (IDI), showing that she cares about downtown Indianapolis and the City. Ms. Sullivan stated that she also worked for the Chamber of Commerce for eight years in marketing and community affairs. Ms. Sullivan has served on a number of different boards and committees, so she has board experience. Ms. Sullivan stated that she is passionate about the City Market and its heritage because her father started the City Market. She said that she hopes she can help turn the Market around, and is honored for consideration.

Chair Cardwell asked if Ms. Sullivan will be able to attend the board meetings. Ms. Sullivan answered in the affirmative, stating that the days they meet work best for her.

Councillor Vaughn stated that, looking through Ms. Sullivan's resume, she is quite busy and accomplished, and he appreciates someone with her background willing to serve and make a difference in an area that has been struggling for a while. Councillor Vaughn thanked Ms. Sullivan for serving on this board.

Chair Cardwell stated that the City Market is in the heart of downtown Indianapolis and he is very passionate about the Market and welcomes Ms. Sullivan's expertise on the City Market Board, bringing a marketing experience, which will be an asset.

Councillor McQuillen moved, seconded by Councillor Moriarty Adams, to send Proposal No. 2, 2010 to the full Council with a "Do Pass" recommendation. The motion carried by a vote of 5-0.

PROPOSAL NO. 19, 2010 - approves the Mayor's appointment of Nicholas Weber as Deputy Mayor for Economic and Workforce Development

Mr. Weber stated that as Mayor Greg Ballard recently outlined in his State of the City address, the past two years have provided the most challenging most difficult economic climate in generations. The great recession has sent millions of homes into foreclosure, stopped all business access to new credit and forced a severe slow down of general commercial activity. Mr. Weber stated that unemployment rose, spending dropped and the economy constricted. The Mayor pointed out that much of Indianapolis was not as much downcast as other urban areas around the country. He said that Indianapolis had the second lowest unemployment rate. Mr. Weber stated that Indianapolis recently had a company choose to move to another city because the City's labor market was too competitive. He said that is small comfort to those who are out of work, seeking an opportunity to provide for themselves and their families. Mr. Weber stated that the city has worked hard to make Indianapolis Economic Development, Inc. the most aggressive local economic development organization possible. They have aligned resources from the Indianapolis Private Industry Council (IPIC) to reduce overlapping services and drive leads for both groups. He said that the group has successfully secured commitments for over 20,000 new and retained jobs in the last two years. Mr. Weber stated that last year, the City worked on projects in the Life Sciences, Logistics, Advanced Manufacturing, Information Technology (IT) and Professional service areas. He said that the City has already this year tentatively closed deals that represent more commitments for jobs and capital investments than this same time last year.

Councillor Minton-McNeill stated that in light of the recession, Mr. Weber's job is going to become very difficult with a huge task ahead of him. She stated that she understands that the economic development needs are to be a cornerstone of the efforts to advance this City forward and that the coordination of economic and workforce development would be key aspects to position Indianapolis for future business growth. Councillor Minton-McNeill asked if there will be a comprehensive plan and economic development strategy to attract and keep jobs in the City and a workforce strategy to ensure that City workers will fill those jobs. Mr. Weber stated that the City does have an economic development strategy. He said that it was completed in 2009 and is the Comprehensive Marion County Economic Development Strategy as articulated by IDI through a generous philanthropic grant. Mr. Weber stated that in relation to workforce development, the City continues to work for the alignment of those two activities. He said that upon taking office, it was found that there were two good organizations, with room for improvement, which were highly unconnected. Mr. Weber stated that the cornerstone of the philosophy is that the City needs to grow and attract jobs for Marion County for which there are workers and plug workers into the jobs that the City is trying to grow and attract.

Councillor Minton-McNeill stated that most Hoosiers have relatives or friends that are unemployed. She asked if the City is planning any green training for re-entry or entry populations, particularly the at-risk youth, formerly incarcerated individuals and low income residents. Mr. Weber stated that the City already has or is planning to have

activities in those areas. He said that he has been in discussion with the director of IPIC regarding a grant opportunity for green jobs and green training. He said that in coordination with the Mayor's office, there is some re-entry work and youth work through Youth Build. Mr. Weber stated that their goal is to try and identify many pathways to advancement in Marion County and make sure that they fit with the community that this City has.

Councillor Minton-McNeill asked if the Federal Stimulus dollars did what they were supposed to do as far as jump-starting the private sectors for jobs. Mr. Weber stated that in workforce development, he would not declare success for the stimulus workforce funds. Councillor Minton-McNeill asked if youth employment will be a target again for this summer. Mr. Weber stated that youth employment is holistically a challenging issue. He said that if the City has an opportunity to replicate the program that was done last year, the IPIC board will be pre-disposed to support that initiative again. He said that it is a very expensive program and would need the federal government support, and it comes down to the financial aspect of it. Councillor Minton-McNeill stated that not having that summer youth program is a tragic loss to not have those young people busy over the summer. She said that those young people need to be engaged in that kind of opportunity.

Councillor Minton-McNeill asked how the City can provide green jobs and careers to those that are so often dismissed as the hardest to employ. Mr. Weber stated that some individuals might have systemic or social barriers to employment success, whether it is education, work experience or not having access to a high school diploma. He said that they have not settled on what the scope of green employment is and it is hard to figure out the pathways within green.

Councillor Minton-McNeill stated that the future of Indianapolis clearly leads to how well the immigrants are integrated into the society, particularly those without proper documentation, and those who are in low-wage sectors in the community face particular barriers in the labor market. She asked if there is anything in place to help assist immigrants. Mr. Weber stated that some of the issues Councillor Minton-McNeill is describing are best left to others through various tiers of government who operate in that area more than the City's Economic Development.

Councillor Minton-McNeill asked Mr. Weber's position as Deputy Mayor of Economic Development, entails. Mr. Weber stated that for the last two years, he has been responsible for four critical areas: economic development, workforce development, education (charter schools) and amenities of place, which means that he works with the Arts community and persons that are looking to make Indianapolis more livable and hospitable. Councillor Minton-McNeill asked with regards to workforce development, if there are many conversations regarding the hiring of ex-offenders. Mr. Weber stated that those issues are in discussion because of the Apollo 13 program, which is a grant that IPIC has received twice from the United States Department of Labor (USDOL). He said that they are changing the administration of that grant, but will still be a grant here in Indianapolis that will put ex-offenders to work.

Councillor Minton-McNeill stated that this is a serious problem for them where employment is concerned. She said that it contributes to a lot of the crime in the City.

Councillor Minton-McNeill asked what Mr. Weber's vision is for the city and its challenges. Mr. Weber stated that he is tasked with helping to create jobs and investment for Marion County. He said that for economic development, the Mayor wants jobs which bring opportunity and wealth to the community.

Councillor Vaughn applauded Mr. Weber's effort to continue to grow the community in the midst of the recession. Councillor Vaughn stated that the previous administration had a dismal record with abatements, giving away hundreds of millions of dollars in property tax abatements to companies that may or may not have lived up to the promises they made. He asked what has been the philosophy of the current administration as it relates to property tax abatements as incentives for businesses. Mr. Weber stated that for the second year, the Council has adopted a Department of Metropolitan Development (DMD) budget which sets aside funds for some of the Community Development Block Grants (CDBG) for economic development. He said that the Mayor wanted to emphasize making the process measurable. Mr. Weber stated that they have gone about measuring economic benefit versus public subsidy, ie: how many jobs, wage rates, where the jobs are located and are they targeted sectors. He said that they have been very judicious with the public private ratio. It has been about \$17 of private funding to every \$1 of public funding as it relates to abatements, which is a strong rate of return.

Councillor Vaughn stated that Mayor Ballard created the Office of Sustainability. He asked how this office focuses on green infrastructure and green jobs. Mr. Weber stated that he is excited about the Office of Sustainability. He said that he has had that office at the table with businesses to figure out how green elements can be incorporated into what is being done. He said that this office is a tremendous asset to the City.

Chair Cardwell asked what tools are missing where the Council could help drive best practices to help Mr. Weber's office do a better job. Mr. Weber stated that his office has been doing some best practices with the City of New York. He said that they are a huge organization with an \$800 million budget. He said that \$500 million of that is for infrastructure. New York's economic development folks get to guide a portion of the infrastructure budget for that city. That allows for the return on investment analysis to be done.

Chair Cardwell stated that the re-entry programs are a big focus of the Mayor's. He asked if Mr. Weber could explain some of the programs. Mr. Weber stated that the Mayor thinks so strongly of this program that he has someone in his administration that works on the re-entry program. He said that it does permeate a lot of what everyone does for the City of Indianapolis. Mr. Weber stated that they talk with companies about their willingness to hire ex-offenders and whether or not they will commit to an ex-offender number.

Chair Cardwell asked if Mr. Weber could give his contact information for anyone that may want to expand or grow their business within Marion County. Mr. Weber stated that the quickest way to get in touch with him would be through email at nweber@indy.gov.

Councillor Moriarty Adams stated that she is aware of the challenges of holding and maintaining jobs on the eastside. She asked if Mr. Weber can provide her with a list of new businesses and jobs that have started in Warren Township at an eastside location. Mr. Weber stated that he will provide that breakdown for Councillor Moriarty Adams.

Councillor Minton-McNeill asked what defines an ex-offender and if Mr. Weber could explain looking at ways to employ them. Mr. Weber stated that they have just started those conversations. He said that it depends on the type of job and the wage, and they pick and choose on how they have those conversations.

Councillor Vaughn moved, seconded by Councillor Moriarty Adams, to send Proposal No. 19, 2010 to the full Council with a "Do Pass" recommendation. The motion carried by a vote of 5-0.

There being no further business, and upon motion duly made, the meeting adjourned at 6:15 p.m.

Respectfully Submitted

JC/lw

Jeff Cardwell, Chair